

MEMORANDUM

Duplicate Copy

TO: Fisher Howe, Deputy Executive Director, Commission on the Organization of the Government for the Conduct of Foreign Policy DATE: 18 June 1974

FROM: William R. Harris MEMO NO.:

SUBJECT: ALTERNATIVE STUDY PLANS: INTELLIGENCE, ORGANIZATION, AND FOREIGN POLICY

COPIES TO: Thomas Reckford, Peter L. Szanton, Francis O. Wilcox

# I. ALTERNATIVE FRAMEWORKS FOR RESEARCH ON INTELLIGENCE ISSUES

On the basis of a preliminary meeting (Harris-Howe-Reckford), and in view of prior intelligence panel experience, I assume that intelligence issues relevant to the organization and respective powers and functions of organizations will be reviewed by two distinct panels, one addressing issues of intelligence (as information) and the other addressing issues of intelligence organizations as repositories of clandestine services. This separation of review permits the following: access to the critical views of thoughtful analysts who have acquired insights respecting the capacities of clandestine services (e.g. Sy Hirsch, Paul Blackstock, Tony Lake, ACLU civil liberties project, etc.) via an Intelligence panel, which need not involve substantial exposure to the details of clandestine service behavior. At the same time, this separation of review functions provides an element of balance for any review of the clandestine services, experts on which are almost by definition part of the system, or at least exposed primarily to the views of those sympathetic to an active CS capability.

Alternatives for the organization of research, and development of issue papers could involve:

- A. Direct management by the Commission staff (which has its own personnel with intelligence backgrounds or academic familiarity), with assignment of particular issue papers to particular scholars.
- B. Management by each of two panel rapporteurs, one for intelligence, one for review of clandestine services.
- C. Management by one Intelligence panel rapporteur, with the panel organized into two working groups (intelligence; review of clandestine services).

If you were to choose alternative B, I would recommend that you obtain the services of Harry Howe Ransom as rapporteur of the intelligence panel, and of myself (with some reluctance, as it is more popular to look at the intelligence side of the house) as the rapporteur of the clandestine service review panel. If you were to choose alternative C, I could only be the rapporteur on the understanding that I would work closely with someone on the full-time Commission staff, and would have, available to the panel, the research monies necessary to sponsor needed issue papers, written (with perhaps one or two exceptions) by other consultants.

I mention Ransom as the best alternative rapporteur because I feel that he is receptive to the views of others, whatever his personal biases (toward strong direct Congressional management, splitting off the CS, reduction of CS activities). Further, he is familiar with the open literature -- which is enormous in volume, whatever it lacks in expertise -- and would not be particularly impeded by any lack of cooperation by any of the IC. I think that alternative C would be the best, bearing in mind substantial limitations on availability of my time, and the need for active writing by the Commission staff itself.

NSC  
Referral Not  
Required

Dept of State  
review(s)  
completed.

II. ISSUES FOR CONSIDERATION BY THE COMMISSION STAFF IN FORMULATING  
THE INTELLIGENCE STUDY/SCOPE OF RESEARCH

Intelligence Panel

- (1) Functions of intelligence.  
Review of the growing theory on decision-making, which suggests a closer integration of intelligence production and policy decision. The theory conflicts with autarchy tendencies in intelligence agencies, and raises questions about the appropriate alternatives for management of these conflicting tendencies. Is the Schlesinger Report solution (an IC staff mediator) optimal?
- (2) The estimative process.  
Role for competitive advocacy, alternative expressions of uncertainties, admissible score forecasting, systematic biases and corrective mechanisms (if any), innovation in estimation respecting new subjects (resource scarcity, international systems behavior, etc.) or old subjects respecting which estimators have been generally unsuccessful (e.g. warning intelligence).
- (3) Resource management.  
Tendencies toward overinvestment in collection (if true) and organizational implications. The intelligence requirements cycle, and modifications. Early post mortems on the Schlesinger reorganization.
- (4) The authority of intelligence agencies, and organizational implications.  
Implications of Presidential choice of the Schlesinger task force constraint upon reorganization involving amendatory legislation.  
Present authority for the conduct of clandestine services and possible alternatives thereto.  
Authority of the DCI, and capacity of the DCI to delegate authority to the IC staff.  
Authority for large DoD covert operations.  
Authority to protect sources and methods, and adequacy thereof.  
Authority for undertaking national security intelligence collection within the U.S., and alternative resolutions of 4th Amendment Rights and informational needs.  
Implications for the legitimacy and public support of intelligence services, and effects upon foreign relations of the U.S.
- (5) Intelligence and International Organizations  
Access of international organizations to intelligence; role of U.S. in providing U.N. intelligence support, OAS, NATO, etc.  
International system forecasts (energy, natural resources, environmental hazards, ocean resource management, etc.)  
Organizational implications; security implications.

Clandestine Services Review Panel

- (1) U.S. capacity and limitations upon (foreign) clandestine services changing foreign policy objectives; transitional capabilities.
- (2) Organizational alternatives  
Role of DoD; large operations  
Capacity to perform many functions within constraints of international law
- (3) legislative authority; executive authority, and implications respecting public support of governmental activities. (Overlaps with Intelligence Panel topic 4).

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**16** AUG 1974

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REMARKS:					

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6 August 1974

The Honorable Robert D. Murphy  
Chairman of the Board  
Corning International Corporation  
717 Fifth Avenue  
New York, N. Y. 10022

Dear Ambassador Murphy:

Pursuant to our conversation, herewith is a rough draft of a possible approach to your study of the role of intelligence in foreign policy. I am sure you would want to expand this with some of the more specific suggestions given to you by the staff, but this might provide an overall approach. If you have any further questions on it, I would be delighted to respond.

Thank you again for your courtesy in consulting with me on this important matter. I will give it every support possible.

Sincerely,

/s/ Bill

W. E. Colby  
Director

Attachment

WEC:blp

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D R A F T

Dear Bill:

As the Commission on the Organization of the Government for the Conduct of Foreign Policy moves from the briefing phase to the phase of study in depth of some selected features, I would like to outline for you our approach in the area of intelligence. Intelligence obviously plays a major role in the formulation and execution of foreign policy. We would like to identify that role clearly and look at various ways intelligence could make an even better contribution to foreign policy deliberations. This will require us to be aware of some of the organizational aspects of the intelligence relationship to foreign policy and to assess the ways in which intelligence contributes to foreign policy, from the raw report to the finished estimate. We must also cover the degree of success our intelligence has and can hope to have in accurately reporting events abroad and projecting their likely future directions. Lastly, I think we must include a review of the political costs involved in intelligence operations where they do cause problems for foreign policy. As a related but somewhat separable issue, we will need to identify the role in our foreign policy of what is called covert action and come to some judgments on its desirability, extent and decision-making process.

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On the other hand, I do not view the Commission's function as reviewing and making recommendations on the organization of our intelligence services and community, its budgets, personnel strengths, etc., or the details of its operations and procedures. The Commission will not be conducting an investigation of the organization of intelligence itself but, rather, the role of intelligence as it affects the conduct of our foreign policy. In order to make informed judgments on the latter, of course, we must be aware of some of these matters as necessary background, but I want to assure you that the thrust of our work will be in the latter category. I share what I know is your great concern about the necessity to protect the sensitive operational aspects of the intelligence effort. We will conduct our inquiry and maintain our records so as not to expose such matters.

As I believe you are aware, Mr. Kent Crane will be directing the intelligence aspects of our inquiries. He will commission several studies by individuals within the intelligence community or by acknowledged experts outside of it. I would like him to discuss with you the specifics of these studies and the individuals who will undertake them to be sure that the appropriate clearances can be obtained and to discuss with you the appropriate staff support and access arrangements to the intelligence community which will be necessary. I would expect Kent to work with your officers in dealing with the other elements

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of the intelligence community in addition to the CIA, under the general charter of the Commission, of course. I have attached a first cut at an outline of some of the matters Kent will be studying, and I hope that you and he can discuss this and any improvements which might be useful.

Sincerely,

Robert D. Murphy



INTELLIGENCE COMMUNITY STUDIES

1. Statutory and Other Authority. A review of the statutory base for the intelligence community, to include the authority of the CIA, the directives of the NSC, and Presidential instructions such as the November 5, 1971, directive. This should also include a review of the special legislation applicable to intelligence (such as the unique authorities of the Director of CIA over personnel and finances), the espionage and communications intelligence legislation, and current proposals for modification of the legislative authority of the intelligence community and its protection of intelligence sources and methods.

2. Organization. A study of the way in which the intelligence community interfaces with foreign policy formulation; the independence of the CIA, the roles of the departmental intelligence entities such as DIA and INR; intelligence relationships at working departmental levels, field entities, and national policy levels (e.g., WSAG, etc.); the role of the Ambassadors.

3. Congress and the Public. To what extent does the Congress benefit from intelligence? To what extent can intelligence be made available to assist the Congress in decision-making? To what extent can intelligence better inform the American public?

4. Control of Intelligence. Executive and Congressional controls on intelligence operations; executive and Congressional influence on intelligence appreciations; procedures for evaluation of intelligence risks and resources.

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5. The Utility of Intelligence. The accuracy of intelligence reports and judgments; to what extent does intelligence contribute to policy formulation? How is its utility affected by its palatability, presentation, participation in sensitive policy deliberations, etc?

6. Covert Action. Review of the arguments for and against covert action; procedures for control; alternatives to association with intelligence.